



# ENERGY ASSURANCE DAILY

Thursday Evening, October 06, 2016

## ***Storm Watch***

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### **Update: Hurricane Matthew Strengthens to Category 4, Impacts Begin on U.S. East Coast October 6**

Hurricane Matthew on Thursday hit the northwestern Bahamas and has now strengthened from a Category 3 to 4 storm as it moves towards Florida's East Coast, the U.S. National Hurricane Center (NHC) said. On Tuesday and Wednesday Matthew hit Cuba and Haiti with 140 mph winds and torrential rain. Matthew was moving northwest at about 14 mph and was expected to continue on this track, turning north-northwest on Thursday night, the NHC said. Matthew was 125 miles southeast of West Palm Beach at about 2 p.m. EDT on Thursday. The NHC extended its hurricane warning area farther north into Georgia and more than 12 million U.S. residents were under hurricane watches and warnings, according to the Weather Channel. Florida Governor Rick Scott urged some 1.5 million people in the state to heed evacuation orders. Scott said he activated 1,000 more members of the state National Guard on Thursday morning, bringing the total number of those summoned to 2,500. Another 4,000 stood ready to respond if needed, he said. Florida, Georgia, South Carolina, and North Carolina have declared states of emergency—a move empowering their governors to mobilize the National Guard. Federal emergency response teams were coordinating with officials in all four states and stockpiling supplies, President Barack Obama said. In Georgia, officials expanded a state of emergency to include 30 counties and urged thousands of residents in coastal areas to evacuate. Governor Nathan Deal issued a mandatory evacuation for people in six coastal counties east of Interstate 95, while people living west of the highway in those counties remained under a voluntary evacuation request. Matthew was not expected to hit Georgia as hard as other states but it could still be “very dangerous,” a meteorologist with the National Weather Service said. The brunt of the storm was expected to hit the state in the early hours of Saturday.

<http://www.nhc.noaa.gov/text/refresh/MIATCPAT4+shtml/061755.shtml>

<http://www.flgov.com/2016/10/06/gov-scott-over-half-of-the-national-guard-activated-additional-requests-to-president/>

<http://www.reuters.com/article/us-storm-matthew-idUSKCN1250G2>

## ***Electricity***

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### **Nearly 20,000 Customers without Power in Florida as Hurricane Matthew Approaches October 6; FPL Expects Up to 2.5 Million Customers Will Experience Outages**

Florida Power & Light Company (FPL) reported 15,595 customers had power knocked out as of 3:00 pm EDT, Thursday, as Hurricane Matthew was forecasted to make landfall near the Cape Canaveral area as a Category 4 storm. Other utilities in Florida reported 3,223 customers without power. Based upon the current forecast path, intensity, and historical modeling, FPL has publically stated that as many as 2.5 million customers may experience power outages. FPL was urging customers to finalize their safety preparations and prepare for extended power outage. FPL's president and CEO said its restoration workforce now totals more than 15,000 strong with approximately 12,000 of these workers in the field to restore customers' power. As long as it's safe, FPL crews will work on restoring power as the first bands of severe weather hit, and will work continuously after the storm clears until all customers have power again, he added. Georgia Power said it was monitoring the changing weather around the clock, mobilizing crews, and preparing to respond to any service interruptions, which may occur.

<b>Florida Customer Power Outages</b>		
October 6, 2016		
<b>Electric Utility</b>	<b>State</b>	<b>Latest Reported</b>
Florida Power & Light	FL	15,595
Other Utilities	FL	3,223
<b>TOTAL*</b>		<b>18,818</b>

\*Total outages represent only electric utilities listed in this table.

Sources: U.S. DOE EAGLE-I

<http://newsroom.fpl.com/2016-10-06-FPL-urges-customers-particularly-those-throughout-Central-and-North-Florida-to-be-prepared-for-extensive-power-outages-as-Hurricane-Matthew-takes-aim-near-the-Cape-Canaveral-area>

<https://www.georgiapower.com/about-us/media-resources/newsroom.cshtml>

### **Update: FPL's 693 MW Turkey Point Nuclear Unit 4 in Florida at Full Power by October 6**

On the morning of October 5 the unit was operating at 48 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Shut by October 6**

On the morning of October 5 the unit was operating at 49 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **Update: AES's 226 MW Huntington Beach Gas-fired Unit 1 in California Returns to Service by October 5**

The unit returned from an unplanned curtailment of 126 MW that began on October 4.

<http://content.aiso.com/unitstatus/data/unitstatus201610051515.html>

### **Update: ERCOT Asks Lower Rio Grande Valley, Texas Consumers to Limit Power October 6**

As warm October temperatures continue, Electric Reliability Council of Texas (ERCOT) on Thursday asked electric consumers in the Lower Rio Grande Valley area to continue limiting electricity use where possible until 7 p.m. CDT. The Valley area continues to experience summer-like temperatures, combined with some unplanned generation outages and very low output from the area's wind power facilities, ERCOT said. This conservation request is limited to the Lower Rio Grande Valley and ERCOT said the grid was not experiencing any system-wide issues.

<http://www.ercot.com/news/releases/show/108280>

### **Duke Energy to Remove Coal Ash from Buck Steam Station in North Carolina**

Duke Energy on Wednesday announced that it would remove millions of tons of coal ash containing toxic heavy metals from the Buck Steam Station in North Carolina. Duke said it would dig up three huge pits of water-logged ash at the Buck Steam Station near Salisbury. The ash will be dried and either offered for use in making concrete or moved to lined landfills elsewhere. Duke agreed to remove the dumps to settle a federal lawsuit filed two years ago by the Southern Environmental Law Center. The ash — left behind when coal is burned to generate electricity — contains such toxic chemicals as lead and mercury, which over time can seep into the groundwater.

<https://news.duke-energy.com/releases/duke-energy-to-recycle-coal-ash-at-buck-steam-station-in-salisbury>

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## **Petroleum**

### **Shell Reports Operational Incident at Its Deer Park, Texas Facility October 6**

Royal Dutch Shell reported an operational incident at its Deer Park, Texas facility, according to a community line alert. Shell said the incident was being handled within the boundaries of its facility and there was no risk to the community from this incident. The Deer Park facility houses a 285,500 b/d refinery, which is a 50-50 joint venture between Shell and Petroleos Mexicanos.

Reuters, 11:14 October 6, 2016

## **Phillips 66 Reports Flaring at Its 139,000 b/d Carson, California Refinery October 5**

Phillips 66 reported a flaring event at its Carson, California refinery, according to a filing with the California Emergency Management Agency.

Reuters, 19:56 October 5, 2016

## **Phillips 66's Proposed Oil-by-Rail Project in Nipomo Rejected by California County October 5**

The San Luis Obispo County Planning Commission on Wednesday voted 3-2 to reject Phillips 66's proposed oil train facility in Nipomo to handle heavy crude. Phillips 66 had in 2013 proposed to modify the rail spur, currently on the southwest side of its 44,500 b/d Santa Maria refinery in Arroyo Grande, California. The proposal faced strong opposition after multiple crude train crashes since mid-2013. San Luis Obispo County's Planning Commission in January 2016 recommended that commissioners reject the project. Phillips 66 said it will review concerns raised and consider its options, including the right to appeal.

Reuters, 9:29 October 6, 2016

Reuters, 1:30 October 6, 2016

## ***Natural Gas***

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### **Regency Reports AGI Shut at Its 290 MMcf/d Waha Gas Plant in Texas October 5**

Regency reported the acid gas injector (AGI) shut on high inlet temperature. The AGI compressor was reset and restarted.

<http://www2.tceq.texas.gov/oce/eei/index.cfm?fuseaction=main.getDetails&target=245091>

## ***Other News***

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Nothing to report.

## ***International News***

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### **Update: Libya's Zueitina Loads First Crude Export Cargo since 2015 – Port Official**

A tanker on Thursday loaded the first crude export cargo at Libya's Zueitina oil terminal since late 2015, a port official said. The port official said the Ionic Anassa was loading 800,000 barrels of oil for export to China. Zueitina is one of three previously blockaded ports in Libya's oil crescent region that reopened last month after forces loyal to eastern commander Khalifa Haftar took control of the terminals. Zueitina had been shut since early November 2015, and Ras Lanuf and Es Sider since December 2014. Exports have already resumed at Ras Lanuf but are yet to restart at Es Sider, which was badly damaged in the fighting. The reopening of Zueitina, Ras Lanuf, and Es Sider has helped boost Libya's oil production, which had been cut to a fraction of the 1.6 million b/d that the OPEC member was producing before its 2011 uprising. A Libyan oil official said national production was at 505,000 b/d–510,000 b/d on Thursday, just up on levels recorded at the start of the week. Before the ports changed hands on September 11–12, Libya's output had been at 200,000–300,000 b/d. Haftar's forces have pledged to leave the ports in control of the National Oil Corporation (NOC) in Tripoli. The NOC has said it hopes to raise production to as much as 900,000 b/d by the end of the year, but that reaching this target depends on funding for operating costs and the reopening of blockaded pipelines in western Libya.

Reuters, 10:54 October 6, 2016

## Energy Prices

U.S. Oil and Gas Prices October 6, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	50.39	47.67	48.48
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.86	2.98	2.38

Source: Reuters

## Links

***This Week in Petroleum*** from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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